

REMARKS

Claim Status

Claims 1-22, 24-27 and 29-32 are pending in the application. Claims 23 and 28 have been cancelled without prejudice or disclaimer. Claims 1, 11 and 22 have been amended. No new matter has been added.

Claims 1, 2, 6, 9, 10 and 24-27 are Allowable

The Office has rejected claims 1, 2, 6, 9, 10 and 23-27 on page 2 of the Office Action, under 35 U.S.C. § 103(a), as being unpatentable over U.S. Patent Publication No. 2003/0144952 (“Brown”) in view of U.S. Patent Publication No. 2003/0069802 (“Ramsey-Catan”). Claim 23 has been cancelled without prejudice or disclaimer. Applicants respectfully traverse the remaining rejections.

The cited portions of Brown and Ramsey-Catan, individually or in combination, do not disclose or suggest the specific combination of claim 1. For example, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a method where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. Support for this claim amendment may be found in at least paragraphs [0032] and [0033] of the application.

In contrast to claim 1, the cited portions of Brown disclose a system for immediately alerting the authorities of an unauthorized, criminal transaction without tipping off the perpetrator by allowing the account holder to input a duress PIN number instead of a normal PIN number. *Brown*, paragraphs [0008] and [0023]. The system also evaluates an account transaction through use of an authorization server that determines whether a PIN number was included in a vendor request and contacts the account holder for authorization to approve or reject the transaction. *Brown*, paragraphs [0044] and [0045]. The cited portions of Brown

disclose checking of the presence and value of a PIN number and not a payment amount limit. Therefore, the cited portions of Brown fail to disclose or suggest a method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1.

In further contrast to claim 1, the cited portions of Ramsey-Catan disclose a system for remotely controlling purchase transactions when the purchase transaction exceeds the available limit for a requesting user. *Ramsey-Catan*, paragraph [0005]. Upon detecting an attempt to complete a remote purchase, the system determines whether the purchase request would cause a user's limit, which may be an absolute limit or a time-dependent limit, to be exceeded. *Ramsey-Catan*, paragraph [0022]. If the requested remote purchase would cause the requesting user's limit to be exceeded, a parent or other authorized individual may override the requesting user's limit or have the purchase amount charged against a limit set for another such as a parent or sibling. *Ramsey-Catan*, paragraphs [0031] and [0035]. The predetermined limit is a spending limit assigned to the user and not a spending limit assigned to a transaction. Therefore, the cited portions of Ramsey-Catan do not disclose or suggest a method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1.

Therefore, the cited portions of Brown and Ramsey-Catan individually or in combination, fail to disclose or suggest at least one element of claim 1. Hence, claim 1 is allowable. Claims 6, 9, 10 and 24-27 depend from claim 1, which Applicants have shown to be allowable. Therefore, claims 6, 9, 10 and 24-27 are allowable, at least by virtue of their dependency from claim 1. Further, the dependent claims recite additional features not found in the cited portions of Brown and Ramsey-Catan.

For example, the cited portions of the above-cited references fail to disclose or suggest a method where the notification message indicates at least part of a number of a payment card, as in claim 10. The cited portions of Brown disclose informing the account holder of the name and address of the vendor, the dollar amount of the transaction, the number of transactions authorized that day, and the dollar amount of transactions authorized that day. *Brown*, paragraph [0037].

Notification messages that include names, addresses, dollar amounts, and quantities of transactions do not disclose a method where the notification message indicates at least part of a number of the payment card, as in claim 10. In further contrast to claim 10, the cited portions of Ramsey-Catan disclose the sending of notification information via an e-mail, instant messaging address, or telephone number to a person authorized to override the user limit imposed on the user during a remote purchase. *Ramsey-Catan*, paragraph [0030]. The notification information does not include at least part of a number of the payment card, as in claim 10. *Ramsey-Catan*, paragraph [0030]. For at least this additional reason, claim 10 is allowable.

As a further example, the cited portions of the above-cited references fail to disclose or suggest a method where the threshold-based rule is used to determine whether the attempted transaction is at a payment card holder approved type of merchant, as in claim 24. Instead, the cited portions of Brown disclose checking of the presence and value of a PIN number and not an approved type of merchant. *Brown*, paragraphs [0044] and [0045]. Checking for the presence and value of a PIN number does not disclose a method where the threshold-based rule is used to determine whether the attempted transaction is at a payment card holder approved type of merchant, as in claim 24. In further contrast to claim 24, the cited portions of Ramsey-Catan disclose comparison of the value of the attempted transaction against a predetermined spending limit that is assigned to the user to determine if the attempted transaction will push the user over his or her assigned spending limit. *Ramsey-Catan*, paragraphs [0031] and [0035]. Comparison of the attempted transaction against a user spending limit does not disclose a method where the threshold-based rule is used to determine whether the attempted transaction is at a payment card holder approved type of merchant. For at least this additional reason, claim 24 is allowable.

As another example, the cited portions of the above-cited references fail to disclose or suggest a method where the threshold-based rule is used to determine whether the attempted transaction occurs during a payment card holder time window threshold, as in claim 26. Instead, the cited portions of Brown disclose checking of the presence and value of a PIN number and not a payment card holder time window threshold. *Brown*, paragraphs [0044] and [0045]. Checking for the presence and value of a PIN number does not disclose a method where the threshold-based rule is used to determine whether the attempted transaction occurs during a payment card

holder time window threshold, as in claim 26. In further contrast to claim 26, the cited portions of Ramsey-Catan disclose comparison of the value of the attempted transaction against a predetermined spending limit that is assigned to the user to determine if the attempted transaction will push the user over his or her assigned spending limit. *Ramsey-Catan*, paragraphs [0031] and [0035]. The predetermined spending limit may be an absolute spending limit or can be one that is a monthly spending limit. *Ramsey-Catan*, paragraph [0022]. Comparison of the attempted transaction against a user spending limit does not disclose a method where the threshold-based rule is used to determine whether the attempted transaction occurs during a payment card holder time window threshold. For at least this additional reason, claim 26 is allowable.

Claims 11, 12, 16, 19, 20 and 29-32 are Allowable

The Office has rejected claims 11, 12, 16, 19, 20 and 28-32 on page 2 of the Office Action, under 35 U.S.C. § 103(a), as being unpatentable over Brown in view of Ramsey-Catan. Claim 28 has been cancelled without prejudice or disclaimer. Applicants respectfully traverse the remaining rejections.

The cited portions of Brown and Ramsey-Catan, individually or in combination, do not disclose or suggest the specific combination of claim 11. For example, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a system where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. Support for this claim amendment may be found in at least paragraphs [0032] and [0033] of the application.

In contrast to claim 11, the cited portions of Brown disclose an authorization server that determines whether a PIN number was included in a vendor request and contacts the account holder for authorization to approve or reject the transaction. *Brown*, paragraphs [0044] and [0045]. The cited portions of Brown disclose checking of the presence and value of a PIN number and not a payment amount limit. The cited portions of Brown fail to disclose or suggest a system where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11.

In further contrast to claim 11, the cited portions of Ramsey-Catan disclose a system for remotely controlling purchase transactions when the purchase transaction exceeds the available limit for a requesting user. *Ramsey-Catan*, paragraph [0005]. The predetermined limit is a spending limit assigned to the user and not a spending limit assigned to a transaction. Therefore, the cited portions of Ramsey-Catan do not disclose or suggest a system where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11.

Therefore, the cited portions of Brown and Ramsey-Catan, individually or in combination, fail to disclose or suggest at least one element of claim 11. Hence, claim 11 is allowable. Claims 12, 16, 19, 20 and 29-32 depend from claim 11, which Applicants have shown to be allowable. Therefore, claims 12, 16, 19, 20 and 29-32 are allowable, at least by virtue of their dependency from claim 11. Further, the dependent claims recite additional features not found in the cited portions of Brown and Ramsey-Catan.

For example, the cited portions of the above-cited references fail to disclose or suggest a system where the notification message indicates at least part of a number of a payment card, as in claim 20. The cited portions of Brown disclose informing the account holder of the name and address of the vendor, the dollar amount of the transaction, the number of transactions authorized that day, and the dollar amount of transactions authorized that day. *Brown*, paragraph [0037]. Notification messages that include names, addresses, dollar amounts, and quantities of transactions do not disclose a method where the notification message indicates at least part of a number of the payment card, as in claim 20. In further contrast to claim 20, the cited portions of Ramsey-Catan disclose the sending of notification information via an e-mail, instant messaging address, or telephone number to a person authorized to override the user limit imposed on the user during a remote purchase. *Ramsey-Catan*, paragraph [0030]. The notification information does not include at least part of a number of the payment card, as in claim 20. *Ramsey-Catan*, paragraph [0030]. For at least this additional reason, claim 20 is allowable.

As a further example, the cited portions of the above-cited references fail to disclose or suggest a system where the threshold-based rule is used to determine whether the attempted transaction is at a payment card holder approved type of merchant, as in claim 29. Instead, the cited portions of Brown disclose checking of the presence and value of a PIN number and not an approved type of merchant. *Brown*, paragraphs [0044] and [0045]. Checking for the presence and value of a PIN number does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction is at a payment card holder approved type of merchant, as in claim 29. In further contrast to claim 29, the cited portions of Ramsey-Catan disclose comparison of the value of the attempted transaction against a predetermined spending limit that is assigned to the user to determine if the attempted transaction will push the user over his or her assigned spending limit. *Ramsey-Catan*, paragraphs [0031] and [0035]. Comparison of the attempted transaction against a user spending limit does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction is at a payment card holder approved type of merchant. For at least this additional reason, claim 29 is allowable.

As another example, the cited portions of the above-cited references fail to disclose or suggest a system where the threshold-based rule is used to determine whether the attempted transaction occurs during a payment card holder time window threshold, as in claim 31. Instead, the cited portions of Brown disclose checking of the presence and value of a PIN number and not a payment card holder time window threshold. *Brown*, paragraphs [0044] and [0045]. Checking for the presence and value of a PIN number does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction occurs during a payment card holder time window threshold, as in claim 31. In further contrast to claim 31, the cited portions of Ramsey-Catan disclose comparison of the value of the attempted transaction against a predetermined spending limit that is assigned to the user to determine if the attempted transaction will push the user over his or her assigned spending limit. *Ramsey-Catan*, paragraphs [0031] and [0035]. The predetermined spending limit may be an absolute spending limit or can be one that is a monthly spending limit. *Ramsey-Catan*, paragraph [0022]. Comparison of the attempted transaction against a user spending limit does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction occurs during a payment card holder time window threshold. For at least this additional reason, claim 31 is allowable.

Claim 3 is Allowable

The Office has rejected claim 3 on page 5 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of U.S. Patent No. 5,999,596 (“Walker”). Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a method where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. The cited portions of Walker fail to disclose or suggest the elements of claim 1 not disclosed or suggested by the cited portions of the above-cited references. Instead, the cited portions of Walker disclose a system in which an attempted transaction causes an available credit line of the credit account to be checked and if the attempted transaction is less than the available credit, processing of the transaction continues so that the account holder is contacted regarding the transaction. *Walker*, column 9, lines 38-46. Checking the amount of the transaction against an available line of credit of the account holder does not disclose a method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. Therefore, the cited portions of Brown, Ramsey-Catan, and Walker fail to disclose or suggest at least one element of claim 1, from which claim 3 depends. Hence, claim 3 is allowable.

Claim 13 is Allowable

The Office has rejected claim 13 on page 5 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of Walker.. Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a system where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11.

The cited portions of Walker fail to disclose or suggest the elements of claim 11 not disclosed or suggested by the cited portions of the above-cited references. Instead, the cited portions of Walker disclose a system in which an attempted transaction causes an available credit line of the credit account to be checked and if the attempted transaction is less than the available credit, processing of the transaction continues so that the account holder is contacted regarding the transaction. *Walker*, column 9, lines 38-46. Checking the amount of the transaction against an available line of credit of the account holder does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. Therefore, the cited portions of Brown, Ramsey-Catan, and Walker fail to disclose or suggest at least one element of claim 11, from which claim 13 depends. Hence, claim 13 is allowable.

Claim 4 is Allowable

The Office has rejected claim 4 on page 5 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of U.S. Patent No. 4,114,027 (“Slater”). Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a method where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. The cited portions of Slater fail to disclose or suggest the elements of claim 1 not disclosed or suggested by the cited portions of the above-cited references. Instead, the cited portions of Slater disclose a system in which a customer’s various account balances are evaluated to arrive at a composite credit limit for the customer. *Slater*, column 12, lines 22-36. The attempted transaction is evaluated against the customer’s PIN number and the composite credit limit of the customer. *Slater*, column 12, lines 55-63. Checking the amount of the transaction against a PIN number and a composite credit limit of the customer does not disclose a method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. Therefore, the cited portions of

Brown, Ramsey-Catan, and Slater fail to disclose or suggest at least one element of claim 1, from which claim 4 depends. Hence, claim 4 is allowable.

Claim 14 is Allowable

The Office has rejected claim 14 on page 5 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of Slater. Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a system where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. The cited portions of Slater fail to disclose or suggest the elements of claim 11 not disclosed or suggested by the cited portions of the above-cited references. Instead, the cited portions of Slater disclose a system in which a customer's various account balances are evaluated to arrive at a composite credit limit for the customer. *Slater*, column 12, lines 22-36. The attempted transaction is evaluated against the customer's PIN number and the composite credit limit of the customer. *Slater*, column 12, lines 55-63. Checking the amount of the transaction against a PIN number and a composite credit limit of the customer does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. Therefore, the cited portions of Brown, Ramsey-Catan, and Slater fail to disclose or suggest at least one element of claim 11, from which claim 14 depends. Hence, claim 14 is allowable.

Claim 5 is Allowable

The Office has rejected claim 5 on page 6 of the Office Action, under 35 U.S.C. § 103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of U.S. Patent No. 5,819,226 ("Gopinathan"). Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a method where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. The cited portions of Gopinathan fail to disclose or suggest the elements of claim 1 not disclosed or suggested by the cited portions of the above-cited references. Instead, the cited portions of Gopinathan disclose a fraud prevention system that uses a neural network for predicting fraud that employs a technique of “learning” through repeated exposure to transaction data. *Gopinathan*, column 3, lines 50-55; column 4, lines 65-67. A plurality of variables, such as the transaction amount and the transaction date and time, are fed into the neural network for use in predicting fraud. *Gopinathan*, column 7, line 30 – column 8, line 35. Entry of the transaction amount into a neural network for fraud prediction is not method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. Therefore, the cited portions of Brown, Ramsey-Catan, and Gopinathan fail to disclose or suggest at least one element of claim 1, from which claim 5 depends. Hence, claim 5 is allowable.

Claim 15 is Allowable

The Office has rejected claim 15 on page 6 of the Office Action, under 35 U.S.C. § 103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of Gopinathan. Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a system where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. The cited portions of Gopinathan fail to disclose or suggest the elements of claim 11 not disclosed or suggested by the cited portions of the above-cited references. Instead, the cited portions of Gopinathan disclose a fraud prevention system that uses a neural network for predicting fraud that employs a technique of “learning” through repeated exposure to transaction data. *Gopinathan*, column 3, lines 50-55; column 4, lines 65-67. A plurality of variables, such as the transaction amount and the transaction date and time, are fed into the neural network for

use in predicting fraud. *Gopinathan*, column 7, line 30 – column 8, line 35. Entry of the transaction amount into a neural network for fraud prediction is not a system where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. Therefore, the cited portions of Brown, Ramsey-Catan, and Gopinathan fail to disclose or suggest at least one element of claim 11, from which claim 15 depends. Hence, claim 15 is allowable.

Claim 22 is Allowable

The Office has rejected claim 22 on page 6 of the Office Action, under 35 U.S.C. § 103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of Gopinathan. Applicants respectfully traverse the rejection.

The cited portions of Brown, Ramsey-Catan and Gopinathan, individually or in combination, do not disclose or suggest the specific combination of claim 22. For example, the cited portions of Brown, Ramsey-Catan and Gopinathan do not disclose or suggest a method where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 22. Support for this claim amendment may be found in at least paragraphs [0032] and [0033] of the application.

In contrast to claim 22, the cited portions of Brown disclose a system that evaluates an account transaction through use of an authorization server that determines whether a PIN number was included in a vendor request and contacts the account holder for authorization to approve or reject the transaction. *Brown*, paragraphs [0044] and [0045]. The cited portions of Brown disclose checking of the presence and value of a PIN number and not a payment amount limit. The cited portions of Brown fail to disclose a method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 22.

In further contrast to claim 22, the cited portions of Ramsey-Catan disclose a system that upon detecting an attempt to complete a remote purchase, determines whether the purchase

request would cause a user's limit, which may be an absolute limit or a time-dependent limit, to be exceeded. *Ramsey-Catan*, paragraph [0022]. If the requested remote purchase would cause the requesting user's limit to be exceeded, a parent or other authorized individual may override the requesting user's limit or have the purchase amount charged against a limit set for another such as a parent or sibling. *Ramsey-Catan*, paragraphs [0031] and [0035]. The predetermined limit is a spending limit assigned to the user and not a method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 22.

In further contrast to claim 22, the cited portions of Gopinathan disclose a fraud prevention system that uses a neural network for predicting fraud that employs a technique of "learning" through repeated exposure to transaction data. *Gopinathan*, column 3, lines 50-55; column 4, lines 65-67. A plurality of variables, such as the transaction amount and the transaction date and time, are fed into the neural network for use in predicting fraud. *Gopinathan*, column 7, line 30 – column 8, line 35. Entry of the transaction amount into a neural network for fraud prediction is not method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 22. Therefore, the cited portions of Brown, Ramsey-Catan and Gopinathan, individually or in combination, fail to disclose or suggest at least one element of claim 22. Hence, claim 22 is allowable.

Claim 7 is Allowable

The Office has rejected claim 7 on page 7 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of U.S. Patent No. 6,052,675 ("Checchio"). Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a method where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. The cited portions of Checchio fail to disclose or suggest the elements of claim 1 not disclosed or

suggested by the cited portions of the above-cited references. Instead, the cited portions of Checchio disclose a system in which specific amounts of money are allotted to specific accounts or passwords associated with a credit card. *Checchio*, column 6, lines 63-67. The system allows a parent to allocate money for spending on a specific purpose. *Checchio*, column 7, lines 1-5. Allocation of money to a specific user account or a specific password of a credit card does not disclose a method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. Therefore, the cited portions of Brown, Ramsey-Catan, and Checchio fail to disclose or suggest at least one element of claim 1, from which claim 7 depends. Hence, claim 7 is allowable.

Further, the cited portions of Brown, Ramsey-Catan and Checchio fail to disclose or suggest automatically reporting the fraudulent transaction to a credit reporting agency, as in claim 7. The Office admits that Brown in view of Ramsey-Catan fails to disclose automatically reporting the fraudulent transaction to a credit reporting agency. *Office Action*, page 7. The cited portions of Checchio disclose a method in which a vendor compares the signature on the back of the credit card to the customer's signature. *Checchio*, column 1, lines 22-26. If the signatures do not match the transaction is refused and the police and credit card company are notified. *Checchio*, column 1, lines 25-30. Notification of the police and credit card company is not automatically reporting the fraudulent transaction to a credit reporting agency, as in claim 7. For at least this additional reason, claim 7 is allowable.

Claim 17 is Allowable

The Office has rejected claim 17 on page 7 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of Checchio. Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a system where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. The cited portions of Checchio fail to disclose or suggest the elements of claim 11 not disclosed

or suggested by the cited portions of the above-cited references. Instead, the cited portions of Checchio disclose a system in which specific amounts of money are allotted to specific accounts or passwords associated with a credit card. *Checchio*, column 6, lines 63-67. The system allows a parent to allocate money for spending on a specific purpose. *Checchio*, column 7, lines 1-5. Allocation of money to a specific user account or a specific password of a credit card does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. Therefore, the cited portions of Brown, Ramsey-Catan, and Checchio fail to disclose or suggest at least one element of claim 11, from which claim 17 depends. Hence, claim 17 is allowable.

Further, the cited portions of Brown, Ramsey-Catan and Checchio fail to disclose automatically reporting the fraudulent transaction to a credit reporting agency, as in claim 7. The Office admits that Brown in view of Ramsey-Catan fails to disclose automatically reporting the fraudulent transaction to a credit reporting agency. *Office Action*, page 7. The cited portions of Checchio disclose a method in which a vendor compares the signature on the back of the credit card to the customer's signature. *Checchio*, column 1, lines 22-26. If the signatures do not match the transaction is refused and the police and credit card company are notified. *Checchio*, column 1, lines 25-30. Notification of the police and credit card company is not automatically reporting the fraudulent transaction to a credit reporting agency, as in claim 17. For at least this additional reason, claim 17 is allowable.

Claim 8 is Allowable

The Office has rejected claim 8 on page 7 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of U.S. Patent Publication No. 2003/0182214 ("Taylor"). Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a method where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. The cited portions of Taylor fail to disclose or suggest the elements of claim 1 not disclosed or

suggested by the cited portions of the above-cited references. Instead, the cited portions of Taylor disclose a system to determine fraud by tracking a user's account to note multiple accesses of the account during the same day, multiple access of the account at the same bank branch, and multiple accesses of the account at different branches of the same financial institution. Taylor, paragraph [0032]. Checking account access locations and quantities does not disclose a method where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 1. Therefore, the cited portions of Brown, Ramsey-Catan, and Taylor fail to disclose or suggest at least one element of claim 1, from which claim 8 depends. Hence, claim 8 is allowable.

Claim 18 is Allowable

The Office has rejected claim 18 on page 7 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of Taylor. Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a system where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. The cited portions of Taylor fail to disclose or suggest the elements of claim 11 not disclosed or suggested by the cited portions of the above-cited references. Instead, the cited portions of Taylor disclose a system to determine fraud by tracking a user's account to note multiple accesses of the account during the same day, multiple access of the account at the same bank branch, and multiple accesses of the account at different branches of the same financial institution. Taylor, paragraph [0032]. Checking account access locations and quantities does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. Therefore, the cited portions of Brown, Ramsey-Catan, and Taylor fail to disclose or suggest at least one element of claim 11, from which claim 18 depends. Hence, claim 18 is allowable.

Claim 21 is Allowable

The Office has rejected claim 21 on page 8 of the Office Action, under 35 U.S.C. §103(a), as being unpatentable over Brown in view of Ramsey-Catan in view of U.S. Patent Publication No. 2003/0014367 (“Tubinis”). Applicants respectfully traverse the rejection.

As previously stated, the cited portions of Brown and Ramsey-Catan do not disclose or suggest a system where a threshold-based rule is used to determine whether an attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. The cited portions of *Tubinis* fail to disclose or suggest the elements of claim 11 not disclosed or suggested by the cited portions of the above-cited references. Instead, the cited portions of *Tubinis* disclose a communication system that determines whether a particular user has sufficient prepaid amounts within an account in order to begin using the communication service. *Tubinis*, paragraph [0007]. Real-time billing against the user’s account can be made during use of the communication session. *Tubinis*, paragraph [0008]. Checking a prepaid amount within a user’s account to determine whether communication services should be granted does not disclose a system where the threshold-based rule is used to determine whether the attempted transaction exceeds a payment amount limit set on a single attempted transaction, as in claim 11. Therefore, the cited portions of Brown, Ramsey-Catan, and *Tubinis* fail to disclose or suggest at least one element of claim 11, from which claim 21 depends. Hence, claim 21 is allowable.

CONCLUSION

Applicants have pointed out specific features of the claims not disclosed, suggested, or rendered obvious by the cited portions of the references applied in the Office Action. Accordingly, Applicants respectfully request reconsideration and withdrawal of each of the objections and rejections, as well as an indication of the allowability of each of the pending claims.

Applicants believe there are other distinctions, not specifically pointed out in this response between the present invention, as claimed, and the cited references. No attempt, however, has been made to point out all differences between the claims and the cited references as the claims are believed to be allowable for the reasons discussed.

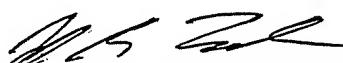
Any changes to the claims in this amendment, which have not been specifically noted to overcome a rejection based upon the cited art, should be considered to have been made for a purpose unrelated to patentability, and no estoppel should be deemed to attach thereto.

The Examiner is invited to contact the undersigned attorney at the telephone number listed below if such a call would in any way facilitate allowance of this application.

The Commissioner is hereby authorized to charge any fees, which may be required, or credit any overpayment, to Deposit Account Number 50-2469.

Respectfully submitted,

1/11/2008
Date


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